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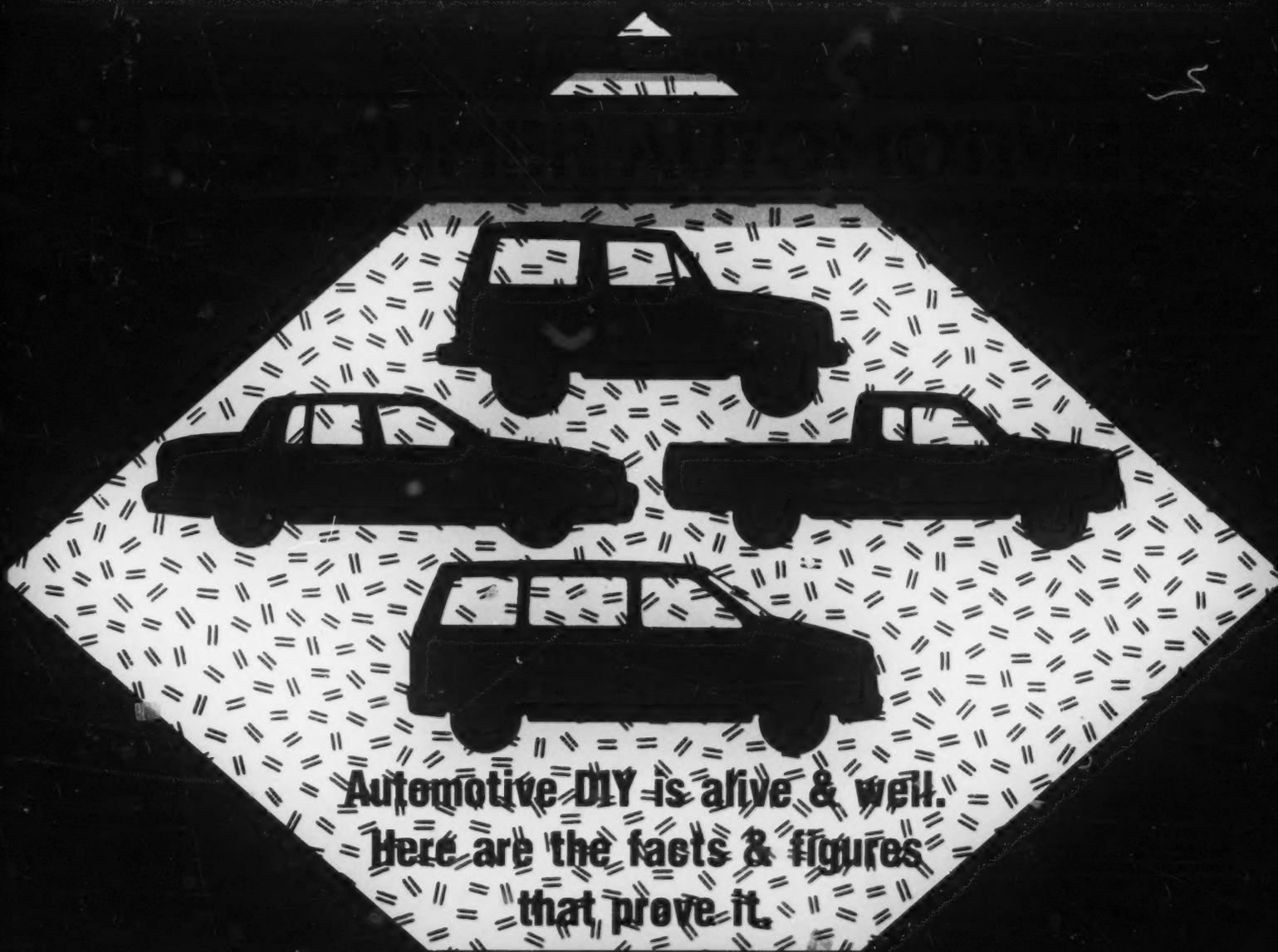

Automotive DIY is alive & well. Here are the facts & figures that prove it.

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PUBLISHER'S NOTES

MOVING UP

If you read magazine mastheads, you will notice subtle changes in ours; changes we are very proud of.

I'm pleased to announce our first masthead change. Rosemarie Kitchin has been promoted to Associate Publisher/Editor-In-Chief of *Automotive Marketing*. As such, she will assume business-oriented responsibilities for the magazine. And, importantly, she continues as *AM's* Editor-In-Chief, with full responsibility for our editorial content and direction. This is a most well-earned promotion for Rosemarie, who brings some 13 years of experience in the automotive business with her. Please join me in congratulating her!

At the same time, I move up to Group Publisher and retain my role as Publisher of *AM*, for which I'm very pleased. In addition, I assume new responsibilities as Publisher of *McCall's Needlework*, one of ABC Publishing's consumer magazines. I'm excited about the challenges and opportunities ahead, and look forward to continuing to work closely with you.

Please know that Rosemarie and I both appreciate your interest in *Automotive Marketing*. You can count on our continuing support.

PS: I've avoided stating how many years of experience I bring with me . . . as it's more than I care to remember or admit!

Sarah J. Frankson
Group Publisher

DETAILING THE MARKET

IN-STORE FOCUS

QUALITY STORES INC.
Headquarters: 1460 Whitehall Rd., North Muskegon, MI 49445 (616) 744-2491
Stores: 51
Total Corp. Sales: $165,000,000
Average SKUs: 20,000 (approx. 9,000 auto)
Founded: 1962

This business, which was started to serve farmers, has evolved into a major retailer in the auto aftermarket. Serving Michigan, Indiana and Ohio, the chain operates 43 Quality Farm & Fleet stores, and 8 small, rural stores under the County Post logo.

Each store carries a mix of automotive, agricultural, hardware, home improvement, and lawn and garden. Stores range in size from 12,000-40,000 sq. ft., and the size of the auto departments varies. According to marketing manager Bob Hebeler, "In our average store, the auto department is about 7,000 sq. ft. The largest is 9,500 sq. ft., and the smallest 2,000 sq. ft. But whatever the size, the auto department equals 15-20% of the store space."

Tires are a big part of the chain's auto business. "We carry a good-better-best line of tires," said Hebeler. "We feel we have a very competitive opening price point that's competitive in the marketplace but of higher quality." The stores also carry a full selection of oils and chemicals. According to Hebeler, "Product dominance is the key in this kind of product."

The stores also carry tune-up items and a full line of brake parts, replacement water pumps, fuel pumps, alternators, belts and hoses. Tools are also available.

While the product mix is average for an aftermarket retailer, there isone difference. The stores carry a good-better-best mix with the emphasis on better-best. This is not a Wal-Mart type of discount store, and customers know it.

"Our customers are knowledgeable enough to know the difference between low price/low quality and high quality items," Hebeler said. "We have competitive pricing across the store, but across the board, no matter what the line, we're leaning toward the 'best' side of the scale." Most SKUs are supplied through the chain's 235,000 sq.ft. Findlay, OH, distribution center.

Parts counters are not part of the average Quality Stores auto department. Two of the stores do have parts counters, but, Hebeler said, "the most complicated DIY project we carry parts for is replacing the starter."

However, the stores are testing a new service: the installation of pick-up truck accessories such as hitches, running boards, and passthru windows. Like other areas, the upper Midwest is experiencing a boom in pick-up trucks – and consequently in pick-up truck accessories.

There are "functional service bays," in Hebeler's words, in 32 of the stores. They are equipped to mount tires; perform electronic spin balance; install batteries; do some oil and lube work; and some shock work. The stores that have bays usually have two.

Although the chain was started to service agricultural customers, and still does do a great deal of business with its farm customers, the bulk of its customers are DIYers. "Our target customer is male, 35-54 years old," Hebeler explained. "Right now our customer mix is about 70% male, but we feel the female shopper should be comfortable in our stores as well.

"One of our founding concepts is service," he continued. "We try to make our atmosphere very friendly. We do carry a male dominated product mix, but the females who do shop our stores are satisfied with the service."

Hebeler said that when it comes to customer service, the stores operate on a simple philosophy: CARE. That translates to Customers Always Require Excellence.

All of the stores feature a light muted checkerboard graphics decor with tile floors. Racetracks are used throughout the stores, but auto products are usually placed in the front, on the main traffic aisle. "Many of our top traffic draws come out of auto," Hebeler said. He citing antifreeze/coolant, running boards and batteries as strong traffic builders.

All marketing and merchandising strategies are conceived at the corporate level at Quality Stores. Each store, however, has an "automotive specialist" responsible for that department. There are three corporate buyers for automotive, and "managers can give input quarterly," Hebeler said. "They tell us what went right, what went wrong. We really depend on their input."

DETAIL

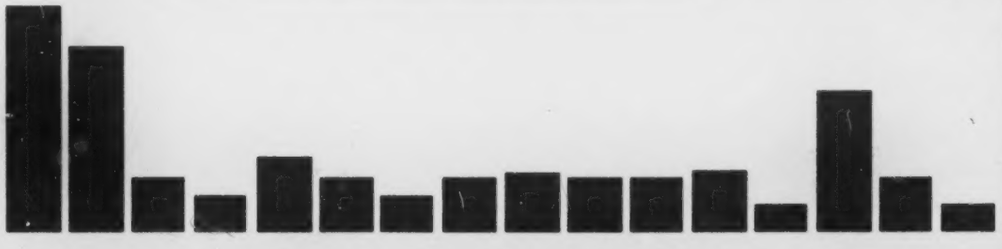
59%

of specialty equipment consumers would buy more specialty equipment products if they were available locally, according to the 1989 Specialty Equipment Markets Association (SEMA) Market Study.

PROFILE: FILTERS

Drawing from the 1989 *Automotive Marketing Consumer Automotive Repair Study*, we look at DIYers who purchased and installed filters during the previous 12 months.

			Age					Income				Hours Per Month Spent On DIY			
Total	Male	Female	-25	25-34	35-44	45-54	55 +	-$20K	$20-30K	$30-40K	+40K	-1 Hrs	1-5 Hrs	6-10 Hrs	11 + Hrs
100.0%	81.7%	18.3%	14.9%	32.8%	22.8%	11.5%	17.8%	25.8%	24.3%	17.4%	27.1%	9.2%	62.0%	18.0%	10.6%



MARKET LINE

QUALITY

Are Cars Getting Better, And If So, What Will Better Cars Mean?

As we enter the last year of the 1980s, it seems to us that the aftermarket has several major challenges to confront in the 1990s. For one, cars are becoming more complex, and many people say this will lead to less DIY work. Just a mention of this topic can keep any seminar going pro and con for hours.

Another challenge is that the parts needed to stock inventories for the cars on the road are increasing at perilous numbers. For example, NAPA president Bob McKenna noted that total NAPA part numbers had grown by 30,000 in seven years to more than 125,000. Parts for imports now account for 20% of total NAPA part numbers. For retailers bound to select only the fastest moving 10,000 or so numbers, managing inventories will be a real challenge as the newer cars move into the prime replacement years.

But, while serious, both of these challenges can be met with improvements in such areas as training and inventory management.

However, few people are discussing a problem that may demand a complete revision of how the aftermarket goes to market. Simply stated, the question is if new cars and components require less maintenance and repairs, then who will need parts and what is the aftermarket going to sell?

Old Cars Are A Bonanza

Right now, there are some 42 million cars on the road built before 1980, according to the Motor Vehicle Manufacturers Association (MVMA), Detroit. That's roughly 36% of the total cars on the road, the highest number of 10-years-old and older cars since the end of World War II. This fleet of senior citizen cars is a bonanza for the aftermarket. But slowly and surely, this huge fleet of cars is going to vanish and be replaced by the cars of the 1980s featuring all the technological advances of the 1980s.

Along with technological advances, the new fleet will contain a much higher proportion of imports, whether made in foriegn countries or in foreign plants in the U.S. In a study of demand by car brands, Hank Allessio of Easton Consultants, Hopkinton, MA, noted that while the three leading imports—Toyota, Honda, Nissan—make up 12.2% of total units in operation, the three make up 14.7% of units in operation in the prime aftermarket 4-10 years-old category. A method of stocking the correct mix of parts for imports is already the key inventory question at most aftermarket operations.

The Impact On Detroit

While imports were a major factor in parts proliferation for the aftermarket, at the OE level, the imports impact the way Detroit builds cars. In addition to being less expensive and more economical, the imports gained the perception of being better built. In virtually every survey, consumers said they bought imports because they offered the quality and reliability that domestics lacked.

In order to compete, domestic manufacturers had to reexamine how they built cars, and how much better they could build cars. As prices rose and consumers sought the best car, manufacturers talked

(Circle 13 on Product Information Card) →

about the 100,000 mile car. As a GM employee told us, "Manufacturers are pursuing driveability, reliability, and durability. We want to manufacture a long-term car that will go seven or eight years without major repairs. To do that, you have to make the engine better. People are not going to pay high prices for cars unless they're better cars."

At the OE level, the aim is quality. Some futurists even talk about a sealed hood, with holes for the various fluids that might need replacement.

There's already been much progress toward the maintenance-free car: batteries no longer need service, electronic ignitions eliminate the twice yearly tune-up, radial tires last longer than cord tires and some even seal punctures, platinum spark plugs can go 60,000 miles or more without replacement, and stainless steel exhaust systems can double the life of the exhaust system.

Then there are computerized controls that adjust the engine mixture of air and gas so that the engine stays efficient even as the spark plugs wear out, the air filter clogs, and the quality of gas varies.

To see the impact of just these changes, check with the spark plug manufacturers, the tire stores, and the exhaust manufacturers.

So we might ask, are new cars better? Is quality going up?

In this, the first article of the series, we tried to get a handle on whether new cars in 1989 were actually better than new cars built in, say, 1979. Future articles will deal with how the OE makers are moving toward the 100,000 mile car and whether it's a possibility, and retailers' reactions to better quality vehicles.

J.D Powers Reports

To be sure, quality is a difficult function to measure. One common measure is the *J.D. Power Reports* (JDPR), published by J.D Power & Associates, Agoura Hills, CA. The JDPR uses a sample of about 25,000 new car buyers, charting car owners' perception of vehicle repair and reliability and customer handling at the dealerships of 33 makes of cars after one year of ownership.

The 1988, JDPR found Honda and its sister make, Acura, at the top of the heap as far as vehicle repair and reliability. At the bottom are several European nameplates. The JDPR supports the belief that imports are better quality cars. Of 14 makes that are perceived as better than average in reliability, only two—Lincoln and Cadillac—are domestics. By contrast, all the popular Japanese makes—Toyota, Honda, Nissan, Mazda, etc.—are well above the average.

However, according to Powers director of publications David Whiteside, "The most significant finding is that the industry average is going up." The index for an industry average was set at 100 in 1986; in 1988, the index average has risen to 108. "And it's in vehicle repair and reliability where most gains have been made." And the gain in reliabiltiy has been strongest among domestic manufacturers.

"We've forecasted that essential parity will be attained among vehicle makers," Whiteside said. "Simply because of the pressure in the marketplace. Because the Japanese car makers are perceived to be higher quality carmakers. Whether that's true or not is irrelevant. As a consequence of the perception, the Japanese have increased their market share. The Detroit car makers are not stupid. Once they did understand the perception, they started to do things to improve fit, finish, and durability. Based on that, and knowing that the basic technology to improve quality is readily available, it's logical to assume that the index would begin to move in the direction of parity.

"Although there're still astounding disparities in the current JDR, even the last place car manufacturer's score has improved in the last two years. The gap between the highest and lowest makes is reduced. And when parity is closer, then how do you compete? It will relate to how customers are treated as far as sales and service at the dealerships."

Source: *Auto Age*, December, 1988

More Reports On Quality

Turning the JDPR around, *Auto Age*, Van Nuys, CA, a trade magazine for new car dealers, published a survey of more than 700 new car dealers in its December 1988 issue and asked dealers, among other things, which make, other than their own dealership's, had the highest product quality. Once again, Honda won in a landslide, getting 26% of the total, along with Mercedes Benz. Also, the popular imports were well over the average, while only Ford and Lincoln-Mercury, among domestics, were above average in fit and finish rankings.

One weakness of such studies the JDPR is the fact that it's based on perceptions. Can we get a better handle on things like the actual amount of repairs needed by car makes? Perceptions are one thing, reality is another.

One example might be a report on consumer maintenance done by the Allied Af-

JD POWER TOP TEN

The 1988 J.D.Power Report (sample size: 25,000 vehicle owners) found that only one domestic car made its top ten list for repair and reliability. However, more significant was the fact that the industry average for reliability has moved up eight points in three years to an index of 108 as average.

Car Make	Repair/Reliability Index (108 = Industry Average)
Honda	132
Acura	131
Mercedes	123
Toyota	121
Mazda	121
Nissan	116
Suburu	115
Cadillac	114
BMW	114
Mitsubishi	114

Source: *The Power Report*, August 1988

UNANTICIPATED REPAIRS

An Allied Aftermarket Div. study done in 1988 asked 605 car owners whether they'd experienced an unanticipated repair during the past year. Over half the car owners had done so.

	Domestic Owners	Imp ort Owners
Owners Who	(302)	(297)
Had at least one unanticipated repair	67%	44%
Had one unanticipated repair	37%	33%
Had two unanticipated repairs	16%	10%
Had three or more unanticipated repairs	14%	9%

Source: *Imports, Domestics And The World Car*, a report by the Allied Aftermarket Div., 1988.

termarket Div.'s Research Div., E. Providence, RI. The Allied study asked about unanticipated repairs in the year before the study. The results? Among 297 import owners, 51% (or 151) had experienced an unanticipated repair; among 308 domestic owners, the result was 57% (or 176). The report states: "Import vehicles had significantly fewer unanticipated repairs than domestics. This could be a result of newer import cars among the sample. However, quite surprisingly half of both domestic and import car owners experienced at least one unanticipated repair."

CANADIAN VEHICLE SURVEY SHOWS COSTS DECLINE

A Canadian survey of repair costs shows that repair costs have declined for Canadian motorists. During 1987, the average Canadian spent $607 to repair a five year-old domestic car; by comparision, during 1985 a five year-old domestic car cost, on the average, $840 to repair. That's $233 less, on the average. For Japanese cars, the gain for consumers was $171, from $682 during 1985 to $511 during 1987.

Make	Cost To Repair A 5-Yr. Old Car In 1985	Cost To Repair A 5-Yr. Old Car In 1987	Loss To Aftermarket
Honda	$680	$441	$239
Toyota	$511	$454	$ 57
Chrysler	$811	$554	$257
Mazda	$948	$581	$367
GM	$795	$583	$212
Ford	$858	$633	$225
Nissan	$802	$690	$112
All Japanese	**$682**	**$511**	**$171**
All Domestic	**$840**	**$607**	**$233**

Source: DesRosiers Automotive Research Inc., Toronto

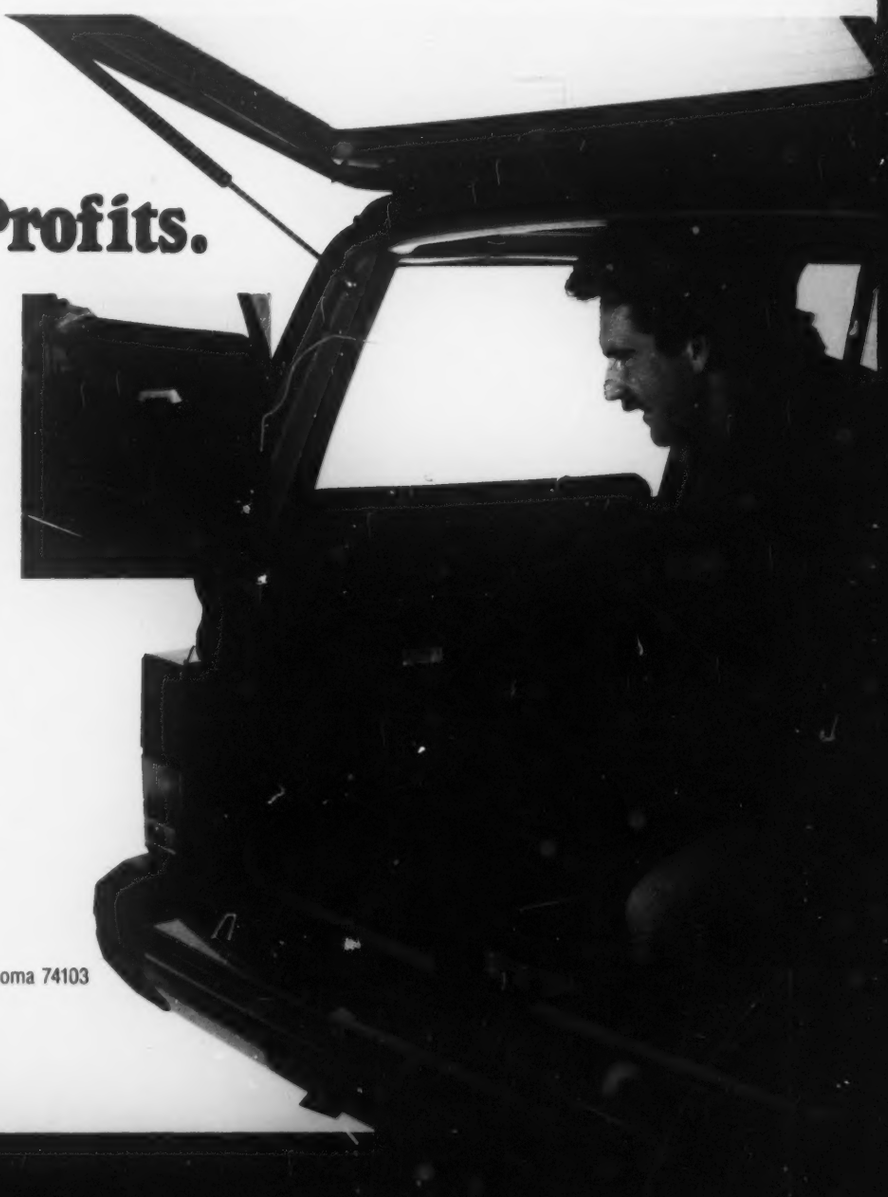
Moving on, we can examine the results from two major studies of repairs and reliability. Most importantly, as far as quality, both seem to indicate fewer repairs are needed on newer cars.

Canadian Survey Of Costs

The first is a study by DesRosiers Automotive Research Inc., Toronto, Canada, using data collected by the Canadian Automotive Association (CAA), the equivalent of the American Automobile Association.

For the past three years, the CAA has surveyed its members on the amount of money they had to spend to repair their cars over 12 months. While the data only covers three years, it indicates a trend toward less money spent on repairs.

For example, during 1987, CAA members spent an average of $607 to repair a five year-old domestic car; by comparision, a five year-old domestic car cost, on the average, $840 to repair during 1985. That's a gain of $233 for the average CAA member (or a loss to the aftermarket, depending upon your viewpoint). For Japanese cars, the gain was $171,



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from $682 during 1985 to $511 during 1987. The lowest average cost of any individual make, domestic or foreign, was Honda, at $441.

While it's too soon to make assumptions based on such limited data, it suggests there is a trend toward lower repair costs. Commenting on the survey, Dennis DesRosiers said, "We know there has been 3-5% inflation and higher prices. You would expect repair costs to go up. But they haven't. So the survey shows that quality is up. How can vehicle makers be offering long term warranties if repair costs go up? They must put together their warranties in conjunction with their engineers. They don't offer longer warranties out of good will, but to sell cars. Because they offer a warranty, they have to offer better quality. And that takes away from the aftermarket. That's reflected on our survey."

DesRosiers also noted that "new car dealers are beginning to realize that you make more money on history rather than on sales. By history, I mean financing, leasing, parts to go, service work, and used car lots. The aftermarket is often viewed as being stunningly complex. Actually, it's quite simple. If a car owner has a problem, he either brings it to the dealer or somewhere else. Now, we're seeing a fundamental change. Domestic dealers were lucky to pick up 10-15% of the repair work. But the Japanese were able to get 40-50%. The Japanese aftermarket is basically at the dealerships. Now the domestic manufacturers are recogonizing the value of history, they're out to push their market share to 30 or 40% like the Japanese."

DesRosiers noted that between warranties and aggressive dealerships, the independent aftermarket might have some stiff competition in the years ahead.

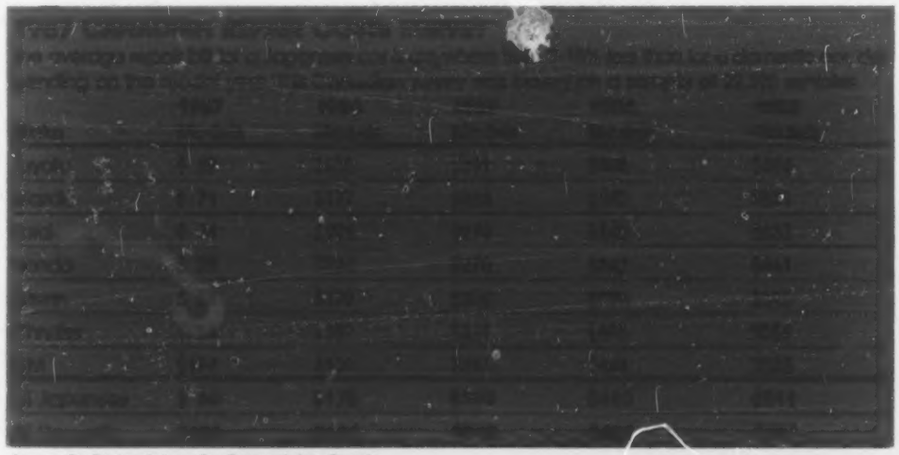
"Everytime a car owner chooses the dealership, our people in the aftermarket don't get his business. The big advantage for dealers isn't in warranty work, it's what you can sell in add-on work. For example, we're currently doing a study on the effect of long-term warranties based on 2,100 car owners. It's proprietary, so I can't give you much information, but here's something to think about. In Canada, 60% of people having warranty work done also had an add-on oil change done at the same time. It's pure gravy for the new car dealer. And that's just the most obvious add-on. I can see that in the future, aftermarket manufacturers will have to examine ways of getting their aftermarket products into the dealerships," he said.

While no association in the U.S. collects comparable data, there are the repair surveys done each year by the Consumers Union, Mt. Vernon, NY, which publishes *Consumer Reports* magazine (CR). CR collected 544,000 responses to its 1987 survey. The magazine prints a "Trouble Index" and a "Cost Index" for models going back to 1982.

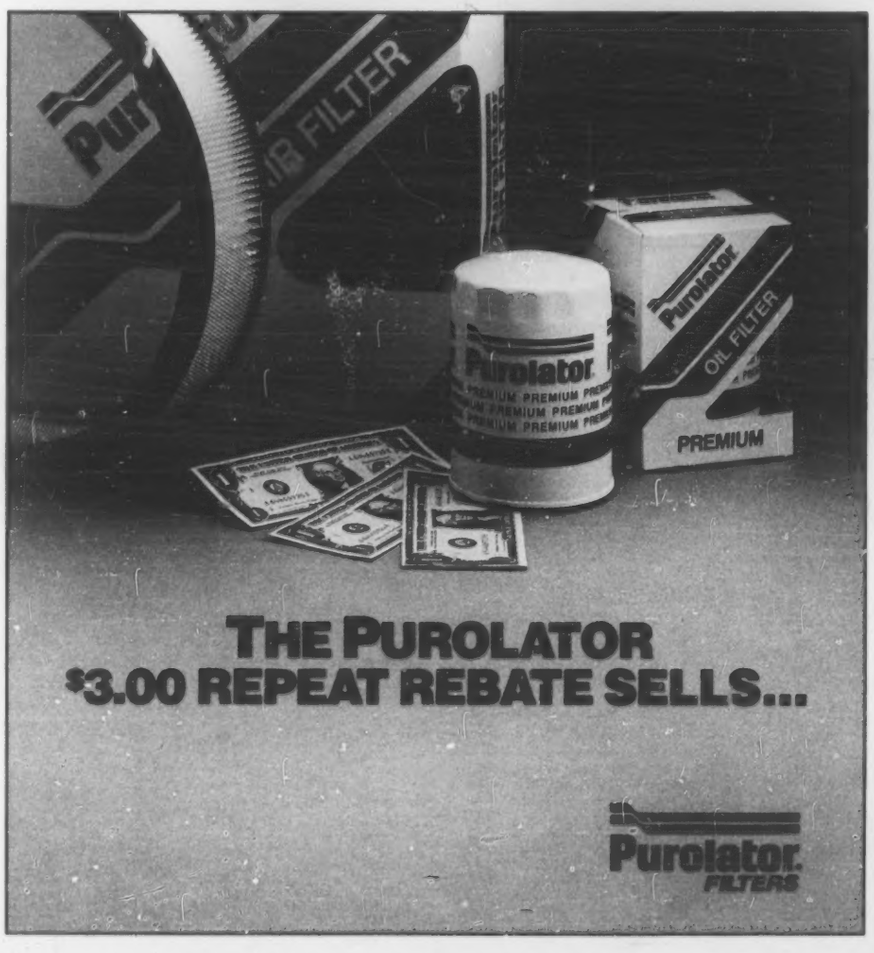
Interestingly enough, Like the CAA study, the CR surveys also show a decline in average repair costs over the past three years.

Once again, we see, that despite inflation (about 4-5% a year) and price increases, the average cost of repairing cars seems to have declined slightly.

The CR survey again supports the perception that imports are more reliable, and of higher quality than domestics. For example, the models with the highest ratings for 1987 are Toyota Camrys and Celicas, any Honda model, the Mazda 626, and the Chevrolet Nova, which of course, is made in California in conjunction with Toyota.



Source: DesRosiers Automotive Research Inc., Toronto



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However, while domestic cars do poorly on the "Trouble Index," that is, they have more repairs than the average, domestic cars do very well on the cost index. For example, both the Chevrolet Chevette and Pontiac Grand Am, which get the lowest rating on the "Trouble Index," both get a better-than-average rating on the "Cost Index." On the other hand, Honda and Mazda models only receive average ratings on the "Cost Index." This seems to indicate that while imports have fewer problems, the cost to repair each problem is higher than domestics.

Bob Knoll, the head of the Consumer Union's auto test division, said the CR yearly repair records presents a "quite a good correlation between what cars show and what they are. What it really means is that 25-30% of a given model may be bad while for some, 98% may give no trouble. We've had a number of manufacturers look at our data and they don't refute it. They'd just rather we didn't tell it."

While 544,000 replies seems like an adequate sample, Knoll warned that "It's not a totally random sample. It tends to be an affluent sample, predominantly on the East and West Coast." We should note that while light trucks are well represented we missed, at random, Toyota Tercels and Corollas, which were not reported, a fact that backs up Knoll's assessment of the sample.

We asked Knoll whether cars seemed to have more quality today. "On an overall basis, yes. On the last six surveys, each year, the number of troubles per car has dropped slightly. Not a lot, but somewhat. There're several reasons for this. Cars, on the whole, are better built. A lot of the old troublesome cars are disappearing. And there're more Japanese cars than ever."

Knoll reports that, "American car makers have made some improvements. More domestics are at least average in number of repairs the first year out. Chrysler's the best, Ford is up, even some GM models are average. That means the average is getting better. The average moves every year, nobody's staying in place. As far as we can tell, quality is up."

Knoll's answer seems to say it all. For all we can tell, quality is up. Imported car makers cut a niche in the market by making better cars. As a result, domestic car makers responded by making better cars. The winner has been the consumer.

The question is: will the aftermarket be the loser?

Faced by better cars and more aggressive competition from the dealerships, what will happen to the aftermarket? After all, this is a low margin business. If sales drop even a few points and overhead costs remain the same, the result would be financial distress.

In an upcoming issue, we'll look at this question from first, the OE car maker's point of view, and then from several major aftermarketers. ■

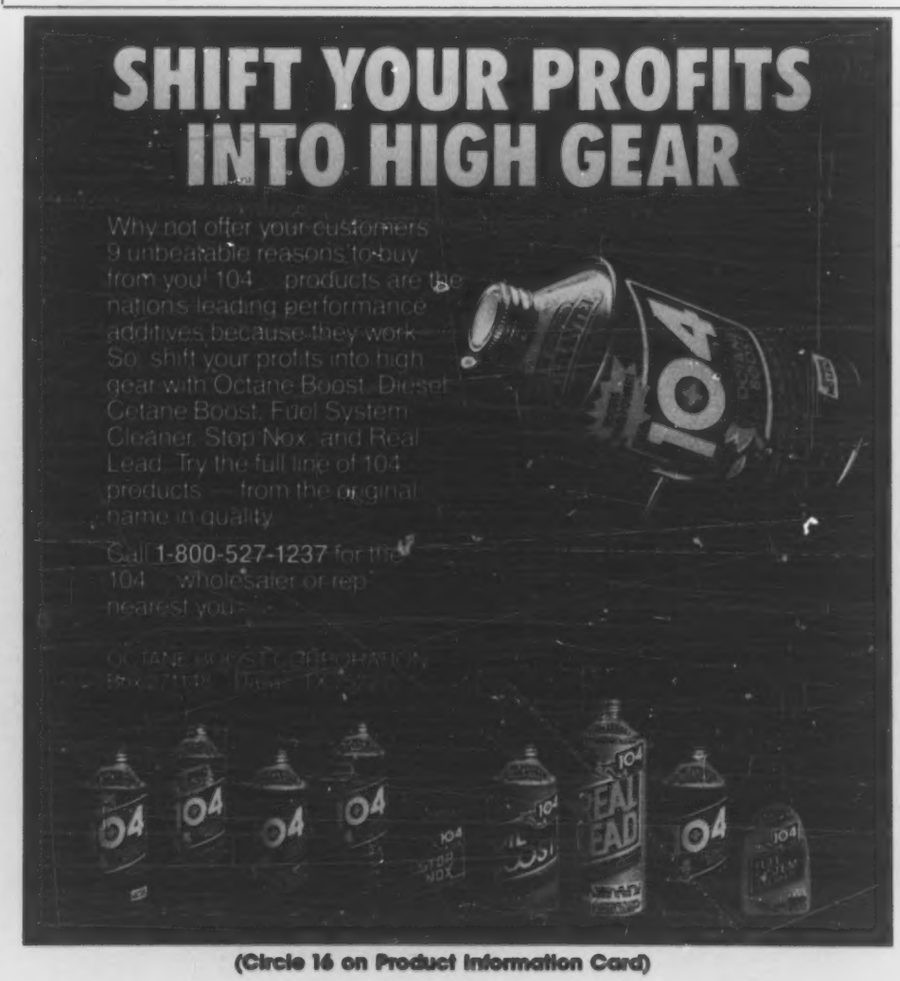
CONSUMER REPORTS REPAIR COSTS

A continuing study of repair costs conducted among readers of *Consumer Reports* magazine suggests that repair costs are declining slightly in spite of inflation and rising repair shop prices. Between 1980 and 1985, the average cost of repairs rose gradually each year, but since 1985 costs have actually declined slightly. The sample size was 544,000 in 1988.

Average Repair Costs By Age Of Car

Year	2-Years	3-Years	4-Years	5-Years	6-Years
1984	$110	$210	$290	$330	$360
1985	$110	$210	$290	$360	$380
1986	$120	$220	$300	$380	$410
1987	$110	$210	$300	$380	$430
1988	$110	$210	$290	$380	$400

Source: *Consumer Reports* magazine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Why not offer your customers 9 unbeatable reasons to buy from you! 104 products are the nation's leading performance additives because they work. So shift your profits into high gear with Octane Boost, Diesel Cetane Boost, Fuel System Cleaner, Stop Nox and Real Lead. Try the full line of 104 products — from the original name in quality.
Call 1-800-527-1237 for the 104 wholesaler or rep nearest you.
104

(Circle 16 on Product Information Card)

OTASCO Reopens 22; Finley Is New CEO

Tim Finley is a man who answers his own phone. He speaks quickly and directly. "I'm not a man who does things by persuasion. You have to make up your mind where you're going and then go. I have no time for memos; no time for meetings. I hold very few planning sessions. Do it. Execute. Keep moving ahead. Never look back. That's the way to operate."

Finley became the temporary (he hopes) president and CEO of OTASCO, Tulsa, OK, on January 19, with the approval of the bankrupt company's vendors, bankers, and the Bankruptcy Court for the Northern District of Oklahoma.

CONSUMER AUTOMOTIVE REPAIR STUDY

INTRODUCTION

Automotive DIY is alive and well. Here're the facts and figures that prove it.

by **P.R.N. Katcher,** Research Editor,
Gail Krueger-Nicholson, Managing Editor &
John Wirebach, Senior News & Features Editor

We're always amazed at the sheer volume of numbers in the literally hundreds of raw data tables that appear in our annual *Consumer Automotive Repair Study (CARS)* report.

The numbers are almost too much to get into text or charts so they can be easily understood and used. Yet, the data is vital for any retailer trying to reach the do-it-yourself (DIY) market.

This year, therefore, we're highlighting what the tables tell us, to let you draw your own conclusions about today's DIYer. As Joe Friday used to say, "Just the facts, ma'am, just the facts." Here, then, are the facts:

General Highlights

- In all, 57.7% of all household vehicle owners who are responsible for the maintenance and care of a vehicle do some sort DIY work. In addition, another 9% of people in a household with a vehicle also do some DIY work even though they are not actually responsible for the vehicle.
- Nationally, 63.4% of all DIYers spend between one and five hours monthly on automotive DIY work. Men and women DIYers are roughly equal in this area.
- As expected, DIYers with three or more vehicles spend more time doing automotive DIY work than those with fewer vehicles. Some 37.7% of those with three or more vehicles spend six or more hours per week on DIY work compared to only 18% of those with one or two vehicles.

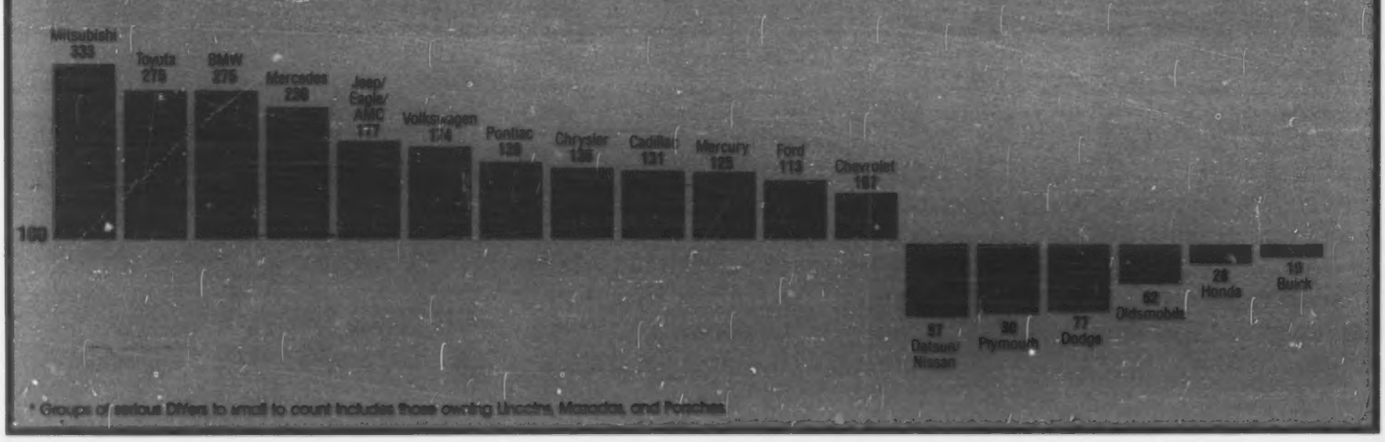
Asking For Help

We asked DIYers if they asked for help when picking out an automotive aftermarket hard part, accessory, or chemical product. Here're the highlights of what we found:

- The majority of DIYers, 76.2%, do not ask for help when they shop for automotive parts and accessories.
- Only 17.7% of male DIYers ask for help, while 35.4% of female DIYers want a help choosing a product.
- Younger DIYers also are more apt to seek professional help than older ones. Of those younger than 25-years-old, 37.9% asked for help, while among all DIYers over 25, only 20.6% asked for help.
- DIYers at all income levels are pretty much similar in terms of asking for help, with one interesting exception: 82.3% of DIYers with an annual household income of between $30,000 and $40,000 annually shop for themselves, compared to around 75% of all other

THE CARS SERIOUS DIYERS OWN

We asked all DIYers the name of the car that they maintain. Then, we compared the cars owned by serious DIYers—those who put in more than 11 hours each month on DIY work—to the cars owned by all DIYers. In this chart, "all DIYers" is expressed by the number 100 and what follows is an index of the cars most owned by serious DIYers.



* Groups of serious DIYers to small to count includes those owning Lincolns, Mazadas, and Porsches

INTRODUCTION

DIYers by income level who shop for themselves.

• As may be expected, the more hours DIYers spend on DIY work, the less they ask for help. In all, 81.5% of those who spend six or more hours a month on such work shop for themselves, compared to 69.5% of those who spend one hour or less a month.

• The more cars a DIYer maintains, the less apt is he to ask for help. Of those with three or more cars, 81.4% shop for themselves, while 69.9% of those with one car shop for themselves.

• Of those who have decreased their level of DIY involvement, 77.8% shopped for themselves, while 76.4% of those who have increased their DIY level involvement shopped for themselves – in other words, there is virtually no difference in these groups.

What They Can Do

We asked DIYers what sort of automotive DIY abilities they thought they had. Could they do anything, most jobs, some jobs, or almost no jobs? Here are the results:

• Almost half, 49.2%, of all DIYers put their abilities at only "some jobs."

• Women are less confident of their automotive DIY abilities than men. No women said they could do "any job" and only 11.4% felt they could do "most jobs." The majority of women, 55.3%, said they were able to do only "some jobs" and fully one third felt they could do "almost no jobs." Among men, on the other hand, 46.5% felt they could do "some jobs" and 32.6% could do "most jobs."

• There was virtually no difference by age or income in groups who put themselves into the different ability categories.

• As might be expected, 22.6% of those who spent more than 11 hours a month on DIY thought they could do anything on a car, while only 1.7% of those who spent less than one hour a month did the same. The more DIYers do, the more they think they can do.

• Only 2.6% of DIYers who maintain one vehicle thought they could do anything, while 16.5% of those with three or more vehicles felt that way.

How Much They Like DIY

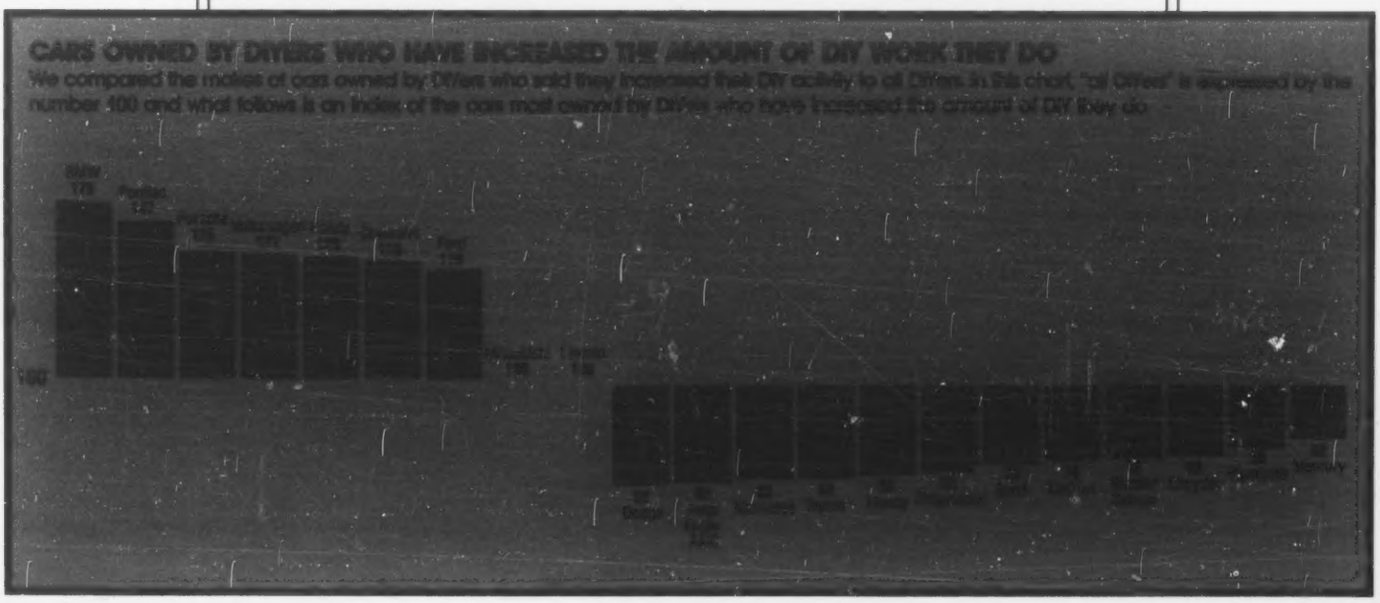
We asked automotive DIYers how much they enjoyed automotive DIY – a lot, somewhat, not too much, or not at all. Here's what they told us:

• "Somewhat" is what most, 40.3%, DIYers said, while another 24.5% said "not too much." Among those remaining, attitudes are polarized, with 24.5% enjoying DIY "not too much" and 14.5% "not at all." But, 20.7% enjoy it "a lot."

• Of women, 55.8% said "not too much" or "not at all."

• Of those 45 to 54-years-old, 43.6% said "somewhat," compared to only 33.2% of those who said "somewhat" who were less than 25-years-old. DIYers aged between 25 and 44 enjoyed DIY about in the same percentages as those who were 45 to 54. On the other hand, 28.7% of those under 25 said they liked it a lot, compared to only 20.1% of those in the 45-54 age bracket who said the same thing.

• It should be no surprise that 46.9% of those who spent 11 or more hours a month on DIY like it a lot, compared to only 11.1% of those who spend one or less hours a month on


CARS OWNED BY DIYERS WHO HAVE INCREASED THE AMOUNT OF DIY WORK THEY DO
We compared the makes of cars owned by DIYers who said they increased their DIY activity to all DIYers in the chart, "all DIYers" is expressed by the number 100 and what follows is an index of the cars most owned by DIYers who have increased the amount of DIY they do
100

INTRODUCTION

it.

• The more vehicles a DIYer is responsbile for, the more he or she enjoys the work. Only 15% of those responsible for one vehicle like it "a lot," compared with 33.9% of those responsible for three or more vehicles.

DIY Involvement

We asked automotive DIYers if, over the past five years, the level of their involvement in automotive DIY has increased, decreased, or stayed the same. They told us:

• Almost half, 46.7%, are doing just as much now as they did five years ago, no more, no less. On top of that, 33.4% have actually increased the amount of DIY work they do.

• Among women DIYers, 43% are doing more now than they did five years ago, compared to only 29.2% of all male DIYers.

• Of those making more than $40,000 annually, 30.8% are doing less DIY work than they did five years ago, while only 15.2% of those making less than $20,000 annually are doing less DIY.

• Among those who put in one or fewer hours monthly on DIY, 64% haven't changed the level of their DIY involvement. However, only 19.6% of those who put in 11 or more hours monthly haven't changed – 67.4% of this group has increased their DIY level.

Vehicles They Maintain

This year, we concentrated on the vehicles DIYers maintain. According to what they said:

• In all, 94.2% of DIYers maintain a car. This general percentage, give or take a few points, was true for all specific demographic types questioned.

• Among all DIYers, 31.1% maintained a light truck. Of all male DIYers, 38.7% maintained a light truck, while only 13.6% of women DIYers were light truck maintainers. Of those DIYers maintaining three or more vehicles, 64.3% maintained a light truck.

• Of all DIYers, 9.3% were responsible for a van's maintenance. The largest single group of DIYers who maintained vans were those with three or more vehicles: 25.1% of them maintained a van.

• Among DIYers, 4.4% were responsible for maintaining a utility vehicle. The largest groups of utility vehicle maintainers were aged 45-54, 9.9%, making more than $30,000 annually, 15.5%, and owning three or more vehicles, 13.8%.

Detailed Vehicle Data

We asked specifics about the vehicles DIYers maintain. DIYers told us:

• General Motors' cars were owned by 44.8% of all DIYers.

• Ford Motor Co. cars were owned by 20.3% of all DIYers.

• Chrysler (including Jeep/Eagle/AMC) cars were owned by 13.1% of all DIYers.

• Toyotas were owned by 5.1% of all DIYers.

• Nissans/Datsuns were owned by 3.9% of all DIYers.

• Higher priced European cars, including Mercedes, Audis, Porches, Volvos, and BMWs,

INTRODUCTION

were owned by 3% of all DIYers

- In all, 51% of all cars DIYers maintain are 1982 or pre-1982 model years. Interestingly, according to the Motor Vehicle Manufacturers Association (MVMA), 61.8% of all cars registered are 1982 or pre-1982 models.
- In all, 11.3% of all cars DIYers maintain were 1970 or pre-1970 model years—largely hobby cars. Indeed, 0.2% of these cars were made prior to 1910. MVMA figures indicate that 7.3% of all registered cars were 1970 or pre-1970 models. ■

STUDY METHODOLOGY

This year marks the sixth consecutive year *Automotive Marketing* has produced its benchmark *Consumer Automotive Repair Study (CARS)*.

This year we wanted to look not only at the do-it-yourselfer (DIYer), but the vehicles DIYers maintain.

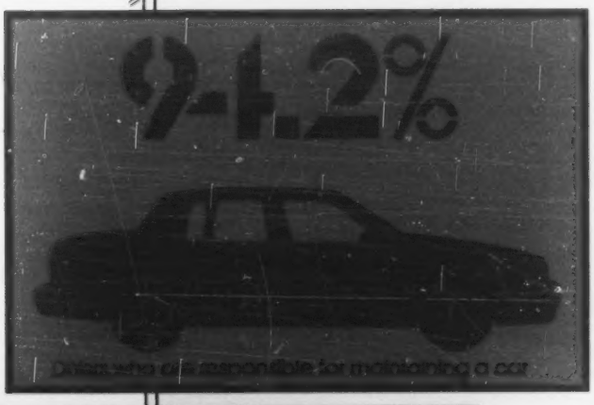
To do this, we retained the services of Chilton Research Co., one of the country's leading market research firms. The researchers called 1,410 households across the country, asking each respondent if anyone in the household owned one or more vehicles. In all, vehicles were owned in 1,228 households.

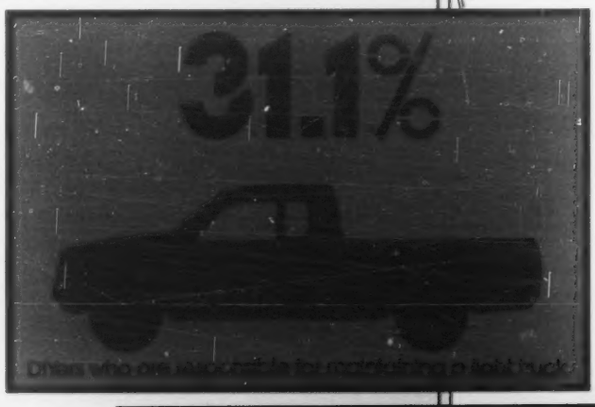
Then researchers asked if the person on the phone was responsible for the maintenance of any of the vehicles or did any maintenance or repair work on any of these vehicles. The repair or maintenance work could be as major as replacing a transmission or as minor as waxing and polishing the vehicle. If the person reached on the phone did not qualify both as a vehicle maintainer and DIYer, the interview was ended.

Those who said they did this sort of work were then asked to participate in the *CARS* study. In all, 707 individuals, DIYers according to our definition of the term, cooperated with Chilton Research. These individuals were also given a list of automotive products. If they both purchased and installed any products, they were asked a set of questions about their buying habits for those products.

The answers that the interviewers got were "top-of-mind" answers. Many questions were open-ended, meaning that interviewers did not provide a list of possible answers for a respondent to select from. Instead, the interviewers took down the respondent's first response. Market research professionals feel that lists of suggested answers tend to prejudice the responses.

For the same reason, the interviewers did not "probe." That is, they did not ask, "Is there anything else?" after they received an answer. The result of this is that the answers reflect the respondents' automatic and first choice answers.





CONSUMER AUTOMOTIVE REPAIR STUDY

WAX/POLISH

DIYers made wax and polish the fourth most purchased and applied product we studied. In all, 65% of DIYers purchased wax and polish and 61.1% purchased and applied wax and polish during the past 12 months.

• By age, the largest single group, 30.9%, of wax and polish purchasers and appliers were in the 25- to 34-years-old bracket.

• Some 22.9% of DIYers who purchased and installed made less than $20,000 annually, compared to the 29.9% of those DIYers who made more than $40,000 annually.

• Most wax and polish purchasers and appliers, 63.8%, spent one to five hours a month on vehicle DIY.

• Of those with one vehicle, 55.7% bought and applied wax and polish; of those with two vehicles, 61.8% bought and applied wax and polish.

• In all, 36.5% of those who purchased and applied wax and polish said they increased the amount of DIY they have done over the past five years, while 20.5% said their DIY work had decreased.

• Men buy wax and polish in automotive parts stores, while women buy it in discount or department stores. In all, 40.4% of men bought it in parts stores, compared to only 26.3% of women.

• "To save money" was the reason 39.1% of DIYers purchased and applied wax and polish. In all, however, 42.6% of men gave that as their reason compared to only 29.5% of women DIYers.

• Price is the major reason people gave for buying wax and polish where they did. On the whole, 45.5% gave that as their purchase reason. Another 39.8% said it was the convenient location of the store that counted.

• Broken down by type of vehicle the wax and polish was purchased for and applied to, 76.7% were cars, 12.9% were light trucks, 3.9% were vans, and 0.4% were utility vehicles.

• In all, 91.7% of women who bought wax and polish did so for a car, while only 71.1% of men bought it for a car. Among male DIYers, 16.2% of the batteries purchased and installed were for a light truck.

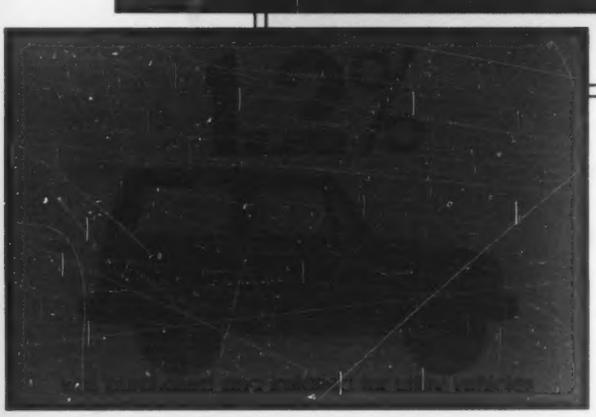
• How likely is it that they will purchase and apply wax and polish again? "Very likely," was the answer of 83.5% of all DIYers. Of men, 85.1% said "very likely" compared to 79.1% of women DIYers. Only 4.4% said it was "not too likely" or "not at all likely." ■

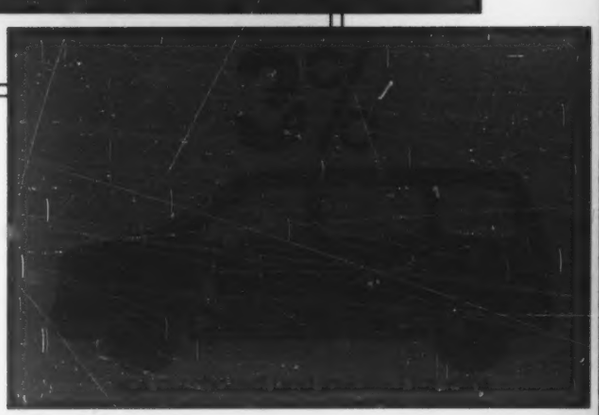
CONSUMER AUTOMOTIVE REPAIR STUDY

MOTOR OIL

DIYers buy and install motor oil more than any other automotive product. In all, 91.9% of them purchased motor oil and 80.7% both purchased and installed motor oil during the past 12 months.

- By age, the largest single group, 32.8%, of motor oil purchasers and installers were in the 25- to 34-years-old bracket.
- Among motor oil purchasers and installers, exactly the same percentage, 26.9%, made less than $20,000 annually and made more than $40,000 annually.
- Most motor oil purchasers and installers, 63.1%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 72.6% bought and installed motor oil; of those with two vehicles, 85.0% bought and installed motor oil.
- In all, 36.5% of those who purchased and installed motor oil said they increased the amount of DIY they have done over the past five years, while 20.4% said their DIY work had decreased.
- Men tend to buy oil in automotive parts stores, while women buy it more often in discount or department stores. In all, 40.9% of men bought it in parts stores, compared to only 28.6% of women.
- "To save money" was the reason 42.7% of DIYers purchased and installed motor oil. In all, however, 46.2% of men gave that as their reason compared to only 33.2% of women DIYers.
- Price is the major reason people gave for buying motor oil where they did. On the whole, 63.7% gave that as their purchase reason.
- Broken down by type of vehicle the motor oil was purchased for and installed in, 67.4% were cars, 16.6% were light trucks, 3% were vans, and 1.2% were utility vehicles.
- In all, 86.5% of women who bought motor oil did so for a car, while only 60.5% of men bought it for a car. Among male DIYers, 21.0% of the batteries purchased and installed were for a light truck.
- How likely is it that they will purchase and install motor oil again? "Very likely," was the answer of 89.8% of all DIYers. Of men, 91.2% said "very likely" compared to 85.8% of women DIYers. Only 2.5% of all DIYers said it was "not too likely" or "not at all likely."■





CONSUMER AUTOMOTIVE REPAIR STUDY

WINDSHIELD WIPERS/BLADES

The seventh most popular automotive products for DIYers to buy and the sixth most popular to buy and install are windshield wipers, blades, and accessories. In all, 59.3% of DIYers purchased windshield wipers or blades and 51.8% installed windshield wipers or blades during the past 12 months.

• By age, the largest single group, 36.4%, of windshield wipers or blades purchasers and installers were in the 25- to 34-years-old bracket.

• DIYers making more than $40,000 annually purchased and installed windshield wipers or blades at a higher rate than any other group by income with 31.2% purchasing and installing blades or wipers.

• Most windshield wipers or blades purchasers and installers, 63.1%, spent one to five hours a month on vehicle DIY.

• Of those with one vehicle, 37.1% bought and installed windshield wipers or blades; of those with two vehicles, 59.5% bought and installed windshield wipers or blades.

• In all, 36.7% of those who purchased and installed windshield wipers or blades said they increased the amount of DIY they have done over the past five years, while 20.9% said their DIY work had decreased.

• Men and women tend to buy windshield wipers or blades in automotive parts stores. In all, 62.8% of men and 51.7% of women bought them in parts stores.

• "It was simple or easy to do" was the reason 48.4% of DIYers purchased and installed windshield wipers or blades. In all, however, 41.3% of men also said they did it to save money, compared to 27.5% of women who gave the same reason.

• Convenient store location is the major reason people gave for buying windshield wipers or blades where they did. On the whole, 38.2% gave that as their purchase reason. Also important, but slightly behind convenience, was price at 34.4%.

• Broken down by type of vehicle the windshield wipers or blades were purchased for and installed in, 76.7% were cars, 13.5% were light trucks, 3.3% were vans, and 1.1% were utility vehicles.

• In all, 90.1% of women who bought windshield wipers or blades did so for a car, while only 73.6% of men bought it for a car. Among male DIYers, 16% of the wipers or blades purchased and installed were for a light truck.

• How likely is it that they will purchase and install windshield wipers or blades again? "Very likely," was the answer of 92% of all DIYers. Among both men and women, 92% "very likely." Only 3.4% said it were "not too likely" or "not at all likely." ■

CONSUMER AUTOMOTIVE REPAIR STUDY

OIL/GAS ADDITIVES

Some 41.1% of the DIYers purchased an oil or gas additive during the past 12 months, putting additves in the number eleven position as most purchased product. As far as installation, 39% both bought and installed the additives during the past 12 months.

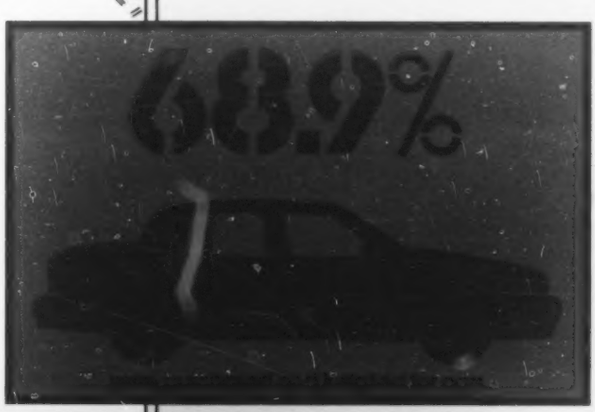
- The 25- to 34-years-old bracket accounted for the largest single group of additves purchasers and installers with 28.3% doing so. However, the 35- to 44-years-old bracket was very close behind with 24.7% doing the job.
- DIYers making less than $20,000 were the largest single group of additive purchasers and installers, making up 29% of the total. DIYers making more than $40,000 were close behind with 25.2% of the total.
- Some 63.2% of additives purchasers and installers spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 32.8% bought and installed some kind of additive; of those with two vehicles, 44.4% bought and installed additives.
- In all, 39.1% of those who purchased and installed additives said they increased the amount of DIY they have done over the past five years, while only 19.2% said their DIY work had decreased.
- Men buy additives most frequently in automotive parts stores. Half, 50.2%, of the male purchasers and installers bought additives in automotive stores. On the other hand, women divide their purchases. Of women purchasers and installers, 26.8% bought in discount stores, 26.1% bought in automotive stores, while 24.6% bought additives at service stations.
- Why did they do the job? The overwhelming reason given by 53.9% of purchasers and installers was that it was, "simple and easy to do." The second most popular reason was, "to save money," mentioned by 29.6% of purchasers and installers.
- Broken down by type of vehicle the additives were purchased for and installed in, 72.3% were cars, 17.8% were light trucks, 3.8% were vans, and 1.5% were utility vehicles.
- In all, 90.5% of women who bought additives did so for a car, while only 66.7% of men bought additives for a car. Among male DIYers, 22.0% of the additives purchased and installed were for a light truck.
- How likely is it that they will purchase and install additives again? "Very likely," was the answer of 92.5% of all DIYers. Among men, 94.5% said "very likely," compared to 86.3% of women DIYers. Only 2.8% of all DIYers said it was "not too likely" or "not at all likely." ■

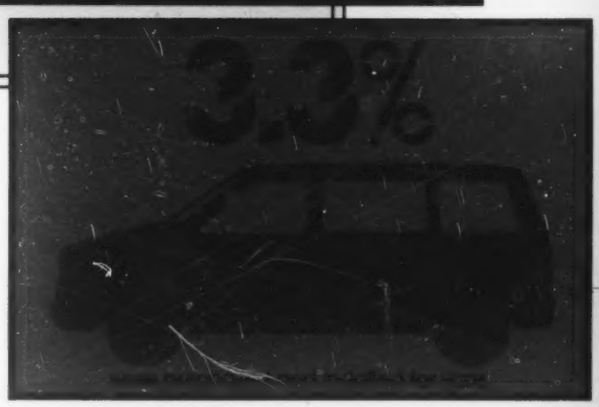
CONSUMER AUTOMOTIVE REPAIR STUDY

TUNE-UP PRODUCTS

Tune-up products are the eighth most frequently purchased and installed automotive product. In all, 62.4% of DIYers purchased tune-up products and 43.4% both bought and installed tune-up products during the past 12 months.

- By age, the largest single group, 37.3%, of tune-up products purchasers and installers were in the 25- to 34-years-old bracket.
- Slightly more DIYers making less than $20,000 annually, 27.5%, purchased and installed tune-up products than did DIYers making more than $40,000 annually, 25.1%.
- Most tune-up products purchasers and installers, 62.2%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 27.7% bought and installed tune-up products; of those with two vehicles, 50.7% bought and installed tune-up products.
- In all, 42.4% of those who purchased and installed tune-up products said they had increased the amount of DIY they have done over the past five years, while 18.4% said their DIY work had decreased.
- Men buy tune-up products in automotive parts stores, while women buy them in discount or department stores. In all, 77.2% of men bought them in parts stores, compared to only 69.2% of women.
- "To save money" was the reason 56.3% of DIYers purchased and installed tune-up products. However, 30% said they did it because it was easy.
- Price is the major reason people gave for buying tune-up products where they did. On the whole, 43.7% gave that as their purchase reason; 30.1% said convenient location was why.
- Broken down by type of vehicle the tune-up products were purchased for and installed in, 68.9% were cars, 18.9% were light trucks, 3.3% were vans, and 1.7% were utility vehicles.
- In all, 83.6% of women who bought tune-up products did so for a car, while only 67.1% of men bought it for a car. Among male DIYers, 20.8% of the tune-up products purchased and installed were for a light truck.
- How likely is it that they will purchase and install tune-up products again? "Very likely," was the answer of 83.6% of all DIYers. Among men, 85.2% said "very likely," compared to 70.4% of women DIYers. Only 4.4% said it was "not too likely" or "not at all likely." ■



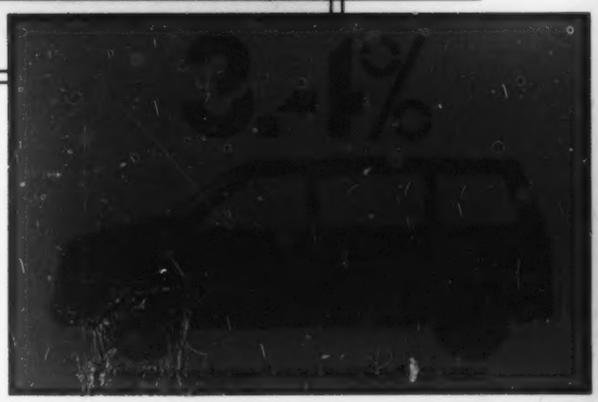


CONSUMER AUTOMOTIVE REPAIR STUDY

APPEARANCE CHEMICALS/PROTECTANTS

Appearance chemicals/protectants are the seventh most frequently purchased and installed automotive product. In all, 51.3% of DIYers purchased appearance chemicals and 49.4% applied appearance chemicals during the past 12 months.

- By age, the largest single group, 34.6%, of appearance chemicals purchasers and installers were in the 25- to 34-years-old bracket.
- More DIYers making more than $40,000 annually, 32.9%, purchased and applied appearance chemicals than did DIYers making less than $20,000 annually, 24%.
- Most appearance chemicals purchasers and appliers, 63.9%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 40.2% bought and applied appearance chemicals; of those with two vehicles, 56.3% bought and applied appearance chemicals.
- In all, 37.7% of those who purchased and applied appearance chemicals said they had increased the amount of DIY they have done over the past five years, while 19.7% said their DIY work had decreased.
- Men most frequently buy appearance chemicals in automotive parts stores, while women tend to split their purchases between auto parts stores and discount stores. In all, 47.2% of men bought them in parts stores, compared to only 36% of women.
- Because it is "easy to do" (36.4%) and "to save money" (34.8%) were the primary reasons 34.8% of DIYers purchased and applied appearance chemicals. Some 16.7% of DIYers did it for personal enjoyment.
- Price is the major reason people gave for buying appearance chemicals where they did. On the whole, 49.3% gave that as their purchase reason; 38.1% said convenient location was why.
- Broken down by type of vehicle the appearance chemicals were purchased for and applied on, 73.5% were cars, 12.5% were light trucks, 3.4% were vans, and 1.9% were utility vehicles.
- In all, 88.2% of women who bought appearance chemicals did so for a car, while only 68.1% of men bought them for a car. Among male DIYers, 16.4% of the appearance chemicals purchased and installed were for a light truck.
- How likely is it that they will purchase and apply appearance chemicals again? "Very likely," was the answer of 92% of all DIYers. Among men, 93% said "very likely," compared to 89.3% of women DIYers. Only 2.1% said it was "not too likely" or "not at all likely." ■



CONSUMER AUTOMOTIVE REPAIR STUDY

PAINT

Paint finished 17th in our list of products DIYers buy but 14th among products they also use themselves. In all, 17.8% of them purchased paint and 14.4% applied paint during the past 12 months.

• By age, the largest single group, 31.5%, of paint purchasers and installers were in the 25- to 34-years-old bracket.

• The percentage of DIYers making less than $20,000 annually and those making more than $40,000 annually who purchased and applied paint is very close—27.9% of the first group and 31.1% of the latter.

• Most paint purchasers and installers, 56.6%, spent one to five hours a month on vehicle DIY.

• Of those with one vehicle, 7% bought and applied paint; of those with two vehicles, 17.8% bought and applied paint.

• In all, 39.3% of those who purchased and applied paint said they increased the amount of DIY they have done over the past five years, while 17.3% said their DIY work had decreased.

• Men are more likely to buy paint in automotive parts stores, while women split their purchases between discount or department stores and auto parts stores. In all, 47.4% of men bought it in parts stores, compared to only 27.5% of women.

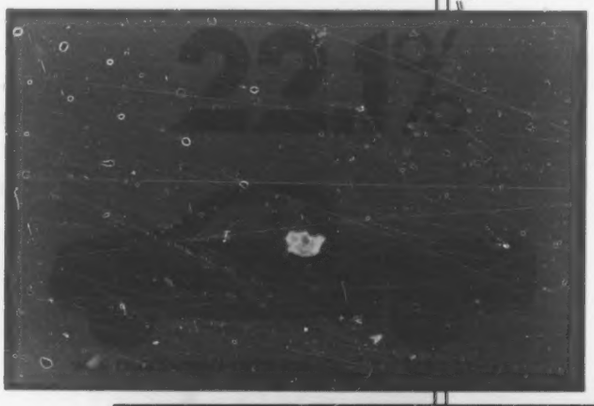
• "To save money" was the reason 54% of DIYers purchased and applied paint. In all, however, 55.8% of men gave that as their reason compared to only 42.1% of women DIYers.

• Product selection (i.e., the right color) is the major reason people gave for buying paint where they did. On the whole, 46.9% gave that as their purchase reason.

• Broken down by type of vehicle the paint was purchased for and applied on, 69.6% were cars, 22.1% were light trucks, 6.4% were vans, and 0.9% were utility vehicles.

• In all, 93% of women who bought paint did so for a car, while only 66.1% of men bought it for a car. However, only 7% of women purchased paint for a light truck, while 24.3% of the males did so for a light truck.

• How likely is it that they will purchase and apply paint again? "Very likely," was the answer of 68.5% of all DIYers. Of men, 69.2% said "very likely," compared to 64.3% of women DIYers. A 17.2% said it was "not too likely" or "not at all likely." ■

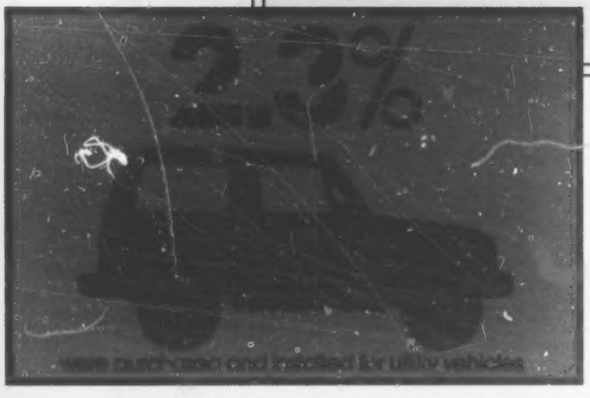


CONSUMER AUTOMOTIVE REPAIR STUDY

LIGHTING PRODUCTS

Slightly over half, 51.7%, of the DIYers on our study purchased a lighting products during the past 12 months, making lighting products the eighth most purchased product , while 42.4% bought and installed their own lighting products during the past year. It was the ninth most purchased and installed product.

- The 25- to 34-years-old bracket accounted for over a third, 35.7%, of the lighting products purchasers and installers, with the 35- to 44-years-old bracket accounting for 23.3%.
- DIYers making over $40,000 were the largest single group of lighting product purchasers and installers making up 32% of the total. DIYers making between $20-30,000 were close behind with 25.5% of the total.
- Some 60.4% of lighting products purchasers and installers spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 29.3% bought and installed some kind of lighting product; of those with two vehicles, 45.1% bought and installed lighting products.
- In all, 39% of those who purchased and installed lighting products said they were increasing the amount of DIY they have done over the past five years, while only 19.3% said their DIY work had decreased.
- Men and women buy lighting products in automotive parts stores about equally. In all, 62.7% of men bought it in parts stores, while 60% of women bought there. The second choice of both groups was the discount store with 21.1% of lighting product purchsers and installers shopping there.
- "To save money" was the reason 48% of DIYers purchased and installed lighting products. But 41.5% said it was because it was "easy to do." In fact, a majority of women, 52.5%, said they did the job simply because it was easy to do.
- Broken down by type of vehicle the lighting products were purchased for and installed in, 72.7% were cars, 19.5% were light trucks, 2.8% were vans, and 2.3% were utility vehicles.
- In all, 83.8% of women who bought lighting products did so for a car, while only 71.0% of men bought the product for a car. Among male DIYers, 20.8% of the lighting products purchased and installed were for a light truck.
- How likely is it that they will purchase and install lighting products again? "Very likely," was the answer of 90% of all DIYers. Of men, 90.9% said "very likely," compared to 84% of women DIYers. Only 3.8% said it was "not too likely" or "not at all likely." ■

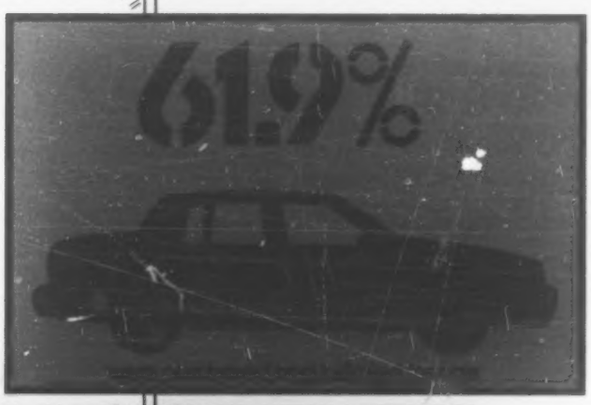


CONSUMER AUTOMOTIVE REPAIR STUDY

SEAT COVERS

Of the DIYers interviewed, 11.6% of of them purchased seat covers and 10.3% purchased and installed seat covers during the past 12 months.

- By age, the largest single group, 28.2%, of seat covers purchasers and installers were in the 25- to 34-years-old bracket.
- More DIYers making less than $20,000 annually installed seat covers, 33.8%, than did those making more than $40,000 annually, 23.4%.
- Most seat covers purchasers and installers, 63%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 8.3% bought and installed seat covers; of those with two vehicles, 12.1% bought and installed seat covers.
- In all, 52.1% of those who purchased and installed seat covers said they had increased the amount of DIY they have done over the past five years, while 10.2% said their DIY work had decreased.
- Men buy seat covers more frequently in automotive parts stores, while women most often buy them in discount or department stores. In all, 44.8% of men bought them in parts stores, compared to only 27.0% of women.
- "It was easy to do" was the reason 61.6% of DIYers purchased and installed seat covers.
- Price is the major reason people gave for buying seat covers where they did. On the whole, 53.8% gave that as their purchase reason.
- Broken down by type of vehicle the seat covers were purchased for and installed in, 61.9% were cars, 31.2% were light trucks, 3.8% were vans, and 1.6% were utility vehicles.
- In all, 89.3% of women who bought seat covers did so for a car, while 50.7% of men bought them for a car. Among male DIYers, 39.8% of the seat covers purchased and installed were for a light truck.
- How likely is it that they will purchase and install seat covers again? "Very likely," was the answer of 79.8% of all DIYers. Of men, 82.1% said "very likely," compared to 74.1% of women DIYers. Only 7.6% said it was "not too likely" or "not at all likely." ■

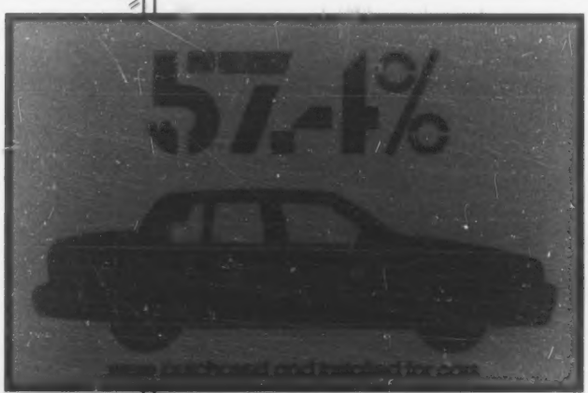


CONSUMER AUTOMOTIVE REPAIR STUDY

RIDE CONTROL

Shocks and struts are the 16th most purchased and installed automotive product we tracked. In all, 23.7% of DIYers purchased shocks and struts and 11.2% both purchased and installed shocks and struts during the past 12 months.

- By age, the largest single group, 34.5%, of shocks and struts purchasers and installers were in the 25- to 34-years-old bracket.
- More DIYers making less than $20,000 annually, 34.3%, than those making more than $40,000 annually, 20.3%, purchased and installed shocks and struts.
- Most shocks and struts purchasers and installers, 54.6%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 4.8% bought and installed shocks and struts; of those with two vehicles, 10.3% bought and installed shocks and struts.
- In all, 42.4% of those who purchased and installed shocks and struts said they increased the amount of DIY they have done over the past five years, while 16.4% said they had decreased their DIY work.
- Men buy struts most frequently in automotive parts stores, while women tend to buy them in discount stores. In all, 74.9% of men bought it in parts stores, compared to 68.4% of women who bought theirs in discount stores.
- "To save money" was the reason 58.3% of DIYers purchased and installed shocks and struts. In all, however, 58.0% of men gave that as their reason compared to 65.8% of women DIYers.
- Price is the major reason people gave for buying shocks and struts where they did. On the whole, 43.7% gave that as their purchase reason.
- Broken down by type of vehicle the shocks and struts was purchased for and installed in, 57.4% were cars, 31.5% were light trucks, 3.9% were vans, and 3.6% were utility vehicles.
- In all, 34.2% of women who bought shocks and struts did so for a car, while only 58.4% of men bought it for a car. Among male DIYers, 31.5% of the struts and shocks purchased and installed were for a light truck.
- How likely is it that they will purchase and install shocks and struts again? "Very likely," was the answer of 78.4% of all DIYers. Of that, 77.6% of men said "very likely" compared to 100% of women DIYers. Only 10.5% of all DIYers said it was "not too likely" or "not at all likely." ■



Of the DIYers on the CARS study, 13.2% bought an automotive book or manual during the past 12 months. That makes books the number 19 product of the 21 automotive products that DIYers purchased that we studied. We assume that 100% of automotive book purchasers opened the books.

• The purchase of automotive books declined with age, beginning with 28.9% from the under 25 age group and declining steadily until only 3.7% of those over 55 purchased automotive books.

• DIYers making more than $40,000 were the largest single group of automotive book purchasers with 29.8% of DIYers in that income range buying an automotive book. However, other income groups were close behind.

• The majority of automotive book purchasers, 55.4%, spent one to five hours a month on vehicle DIY.

• Of those with two vehicles, 13.1% purchased an automotive book; of those with three or more vehicles, 22.6% purchased some kind of automotive book.

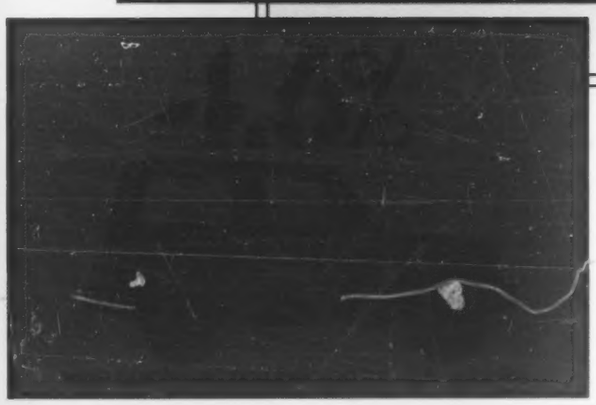
• In all, 51.9% of those buying an automotive book said they'd increased the amount of DIY work they had done over the past five years, while 14.2% said their DIY work had decreased.

• Automotive books are mainly bought in automotive stores. More than half, 53.2%, of all automotive book purchasers did so in an automotive store. Book stores accounted for 14.3% of total automotive book purchases by DIYers. Among women purchasers, 80% bought an automotive book in an automotive store.

• Among DIYers, 41.4% said "selection" was the most important reason in deciding where to purchase an automotive book. "Convenience" was the second decision maker with 21.8% giving this as a reason, while price was important to 15.7%.

• Broken down by the type of vehicle automotive books were purchased for, 74.7% were for cars, 10.2% were for light trucks, 4.4% were for vans, and 4.6% were for utility vehicles.

• In all, 70.5% of women who bought automotive books purchased the book for use with a car while 20% bought the automotive book for use with a light truck. For men, only 8.4% purchased the automotive book for a light truck. ■



CONSUMER AUTOMOTIVE REPAIR STUDY

FILTERS

Oil and air filters are the second most-popular product on the study. Some 86.4% of DIYers purchased a filter and 65.9% bought and installed filters during the past 12 months.

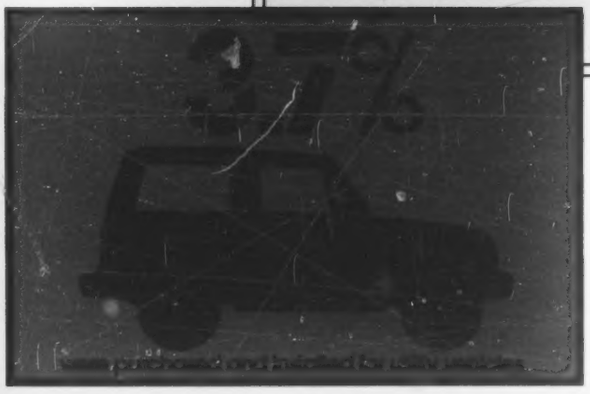
- By age, the largest single group, 32.8%, of filter purchasers and installers were in the 25- to 34-years-old bracket.
- Half, 50.1%, of DIYers who purchase and installed a filter made less than $30,000.
- Most filter purchasers and installers, 62%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 50.5% bought and installed some kind of filter; of those with two vehicles, 74.2% bought and installed filters.
- In all, 37.5% of those who purchased and installed filters said they increased the amount of DIY they have done over the past five years, while 20.6% said their DIY work had decreased.
- Both men and women buy filters in automotive parts stores. In all, 58.7% of men bought them in parts stores, while 45% of women bought there. However, 31% of women buy them in discount or department stores.
- "To save money" was the reason 47.4% of DIYers purchased and installed filters. But, 40.9% said it was because it was "easy to do." Indeed, "easy to do" was the leading reason among women at 45.7%.
- Price is the major reason people gave for buying filters where they did. On the whole, 50.3% gave that as their purchase reason.
- Broken down by type of vehicle the filters were purchased for and installed in, 67.4% were cars, 15.2% were light trucks, 3% were vans, and 2.6% were utility vehicles.
- In all, 85.1% of women who bought filters did so for a car, while only 63.4% of men bought it for a car. Among male DIYers, 17.6% of the filters purchased and installed were for a light truck.
- How likely is it that they will purchase and install filters again? "Very likely," was the answer of 92% of all DIYers. Of men, 93.2% said "very likely," compared to 86.6% of women DIYers. Only 3.3% said it was "not too likely" or "not at all likely." ■

CONSUMER AUTOMOTIVE REPAIR STUDY

BATTERIES

Batteries were the 12th most popular product for DIYers to buy and install. In all, 39.5% of them purchased batteries and 27.2% purchased and installed batteries during the past 12 months.

- By age, the largest single group, 31.4%, of battery purchasers and installers were in the 25- to 34-years-old bracket.
- More DIYers making more than $40,000 annually, 34.3%, purchased and installed batteries than did DIYers making less than $20,000 annually, 26.4%.
- Most battery purchasers and installers, 62.8%, spent one to five hours a month on vehicle DIY.
- Of those DIYers with one vehicle, 22.1% purchased and installed a battery; of those with two vehicles, 43.5% purchased and installed batteries.
- In all, 40.5% of those who purchased and installed batteries said they had increased the amount of DIY they have done over the past five years, while 18.8% said their DIY work had decreased.
- Men tend to buy batteries in automotive parts stores, while women buy them in discount or department stores. In all, 42.6% of men bought them in parts stores, compared to only 24.6% of women.
- "To save money" was the reason 44% of DIYers purchased and installed batteries. Some 42.3% of DIYers said they did it because it was easy to do.
- Price is the major reason people gave for buying batteries where they did. On the whole, 58.3% gave that as their purchase reason.
- Broken down by type of vehicle the batteries was purchased for and installed in, 70.3% were cars, 20.4% were light trucks, 1.4% were vans, and 3.7% were utility vehicles.
- In all, 75.4% of women who bought batteries did so for a car, while only 69.7% of men bought it for a car. Among male DIYers, 21.6% of the batteries purchased and installed were for a light truck.
- How likely is it that they will purchase and install batteries again? "Very likely," was the answer of 92.1% of all DIYers. Of women, 93.3% said "very likely," compared to 91.9% of men DIYers. Only 2.5% said it was "not too likely" or "not at all likely." ■



CONSUMER AUTOMOTIVE REPAIR STUDY

FUNCTIONAL FLUIDS/MAINTENANCE

Functional fluids/maintenance chemicals were the fifth most popular product on the study. Some 64.1% of DIYers purchased some kind of fluid, while 56.6% bought and installed their own fluids during the past 12 months.

- The 25- to 34-years-old bracket accounted for over a third, 36%, of the fluids purchasers and installers, with the 35- to 44-years-old bracket accounting for 21.3%.
- Although DIYers making under $20,000 make up the largest group of fluid purchasers and installers at 27.7%, of those making over $40,000, 25.5% also purchased and installed some kind of fluid.
- Almost two-thirds, 64.2%, of fluid purchasers and installers spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 43.7% bought and installed some kind of fluid; of those with two vehicles, 64.7% bought and installed fluids.
- In all, 43.4% of those who purchased and installed fluids said they increased the amount of DIY they have done over the past five years, while only 16.3% said their DIY work had decreased.
- Both men and women buy maintenance fluids in automotive parts stores. In all, 65.2% of men bought it in parts stores, while 44.4% of women bought there. However, 27.4% of women buy them in discount or department stores.
- "To save money" was the reason 43.3% of DIYers purchased and installed fluids. But 40.1% said it was because it was "easy to do." Also, 14.4% of women said they did the job simply because there was no one else who could do the job.
- Broken down by type of vehicle the fluids were purchased for and installed in, 70.8% were cars, 16.5% were light trucks, 4.6% were vans, and 1.7% were utility vehicles.
- In all, 89.2% of women who bought fluids did so for a car, while only 65.8% of men bought it for a car. Among male DIYers, 20.7% of the functional fluids/maintenance chemicals purchased and installed were for a light truck.
- How likely is it that they will purchase and install maintenance fluids again? "Very likely," was the answer of 90.3% of all DIYers. Of men 92.6% said "very likely," compared to 81.6% of women DIYers. Only 2.5% said it was "not too likely" or "not at all likely."■

CONSUMER AUTOMOTIVE REPAIR STUDY

ANTIFREEZE/COOLANT

Antifreeze/coolant is the third most popular product that DIYers buy and install. In all, 73.2% of DIYers purchased antifreeze/coolant and 62.9% purchased and installed it during the past 12 months.

- By age, the largest single group, 33.1%, of antifreeze/coolant purchasers and installers were in the 25- to 34-years-old bracket.
- With almost the exact same percentage among antifreeze/coolant DIYers, 26.6% made less than $20,000 annually and 26.5% made more than $40,000 annually.
- Most antifreeze/coolant purchasers and installers, 64.8%, spent one to five hours a month on vehicle DIY.
- Of those with one vehicle, 53.4% bought and installed antifreeze/coolant; of those with two vehicles, 66.1% bought and installed antifreeze/coolant.
- In all, 39.2% of those who purchased and installed antifreeze/coolant said they had increased the amount of DIY they have done over the past five years, while 19.1% said their DIY work had decreased.
- Men buy antifreeze/coolant most frequently in automotive parts stores, while women divide their purchases about equally among automotive parts stores and discount stores. In all, 48.1% of men bought it in parts stores, compared to only 34.1% of women.
- "To save money" was the reason 44% of DIYers purchased and installed antifreeze/coolant. In all, however, 45.6% of men gave that as their reason compared to only 39% of women DIYers.
- Price is the major reason people gave for buying antifreeze/coolant where they did. On the whole, 61.6% gave that as their purchase reason.
- Broken down by type of vehicle the antifreeze/coolant was purchased for and installed in, 72% were cars, 14.2% were light trucks, 3% were vans, and 1.7% were utility vehicles.
- In all, 87.6% of women who bought antifreeze/coolant did so for a car, while only 66.9% of men bought it for a car. Among male DIYers, 17.4% of the antifreeze/coolant purchased and installed were for a light truck.
- How likely is it that they will purchase and install antifreeze/coolant again? "Very likely," was the answer of 92.1% of all DIYers. Of men, 93.1% said "very likely," compared to 89% of women DIYers. Only 2.2% said it was "not too likely" or "not at all likely." ■

Cooling system parts finished in 10th place among aftermarket products purchased and 11th among products purchased and installed by DIYers. In all, 46.9% of them purchased cooling system parts and 34.6% installed cooling system parts during the past 12 months.

• By age, the largest single group, 34.5%, of cooling system parts purchasers and installers were in the 25- to 34-years-old bracket.

• There was little difference between DIYers making less than $20,000 annually and those making more than $40,000 annually who purchased and installed cooling system parts. In the first group, 27.8% bought cooling system parts, while 24.4% of the latter group did.

• Most cooling system parts purchasers and installers, 59.8%, spent one to five hours a month on vehicle DIY.

• Of those with one vehicle, 19.1% bought and installed cooling system parts; of those with two vehicles, 38.4% bought and installed cooling system parts.

• In all, 41.2% of those who purchased and installed cooling system parts said they increased the amount of DIY they have done over the past five years, while 17% said their DIY work had decreased.

• The majority of DIYers buy cooling system parts in automotive parts stores. However, 74.9% of men bought them in parts stores, compared to only 57.8% of women.

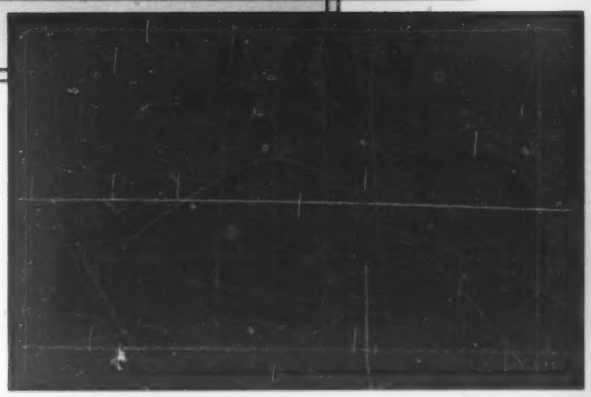
• "To save money" was the reason 50.4% of DIYers purchased and installed cooling system parts. In all, however, only 48.2% of men gave that as their reason compared to 69.8% of women DIYers.

• Price is the major reason people gave for buying cooling system parts where they did. On the whole, 46% gave that as their purchase reason. However, another 33.9% said it was the outlet's convenient location that prompted them to buy where they did.

• Broken down by type of vehicle the cooling system parts were purchased for and installed in, 62% were cars, 21.6% were light trucks, 4.8% were vans, and 4.6% were utility vehicles.

• In all, 83.8% of women who bought cooling system parts did so for a car, while only 59.6% of men bought it for a car. Among male DIYers, 23.9% of the cooling system parts purchased and installed were for a light truck.

• How likely is it that they will purchase and install cooling system parts again? "Very likely," was the answer of 87.5% of all DIYers. Surprisingly, women, with 88%, are as likely as men, with 87.5%, to say that they are "very likely" to purchase and install cooling system parts again. Only 4.5% said it was "not too likely" or "not at all likely." ■



LINKING PAY & PERFORMANCE

Linking your store manager's paycheck to his performance is an ideal. But the practice is harder to achieve than the theory.

by **Jeffrey Alderton,** Touche Ross

Employee accountability and productivity are the stuff owners dreams about. Yet it is difficult to hold employees accountable for what they do (or don't do), and it is difficult to increase their productivity. Linking pay to performance has always been the ideal, and now many retailers are finding ways of making it a reality in their stores.

In a recent survey, Touche Ross uncovered a definite trend toward paying store managers and assistant managers according to the quality of work performed. To determine how store managers and assistants are compensated, we polled specialty store companies across the country. The results show retailers using a combination of ways to evaluate and compensate store managers and assistant managers. We also developed figures on turnover, and find some glaring variances from one part of the country to another.

The companies represented in this survey are largely apparel specialty stores. A similar study of the automotive aftermarket is now underway and will be reported on in *Automotive Marketing* as soon as those results have been tabulated.

Jeffery H. Alderton is a Senior Consultant with Touche Ross in New Jersey. He has assisted several retail companies with compensation programs and other human resources initiatives. Mr. Alderton is a frequent contributor to this magazine. He invites your comments on this article and he can be contacted at (404) 955-6142.

Store Managers

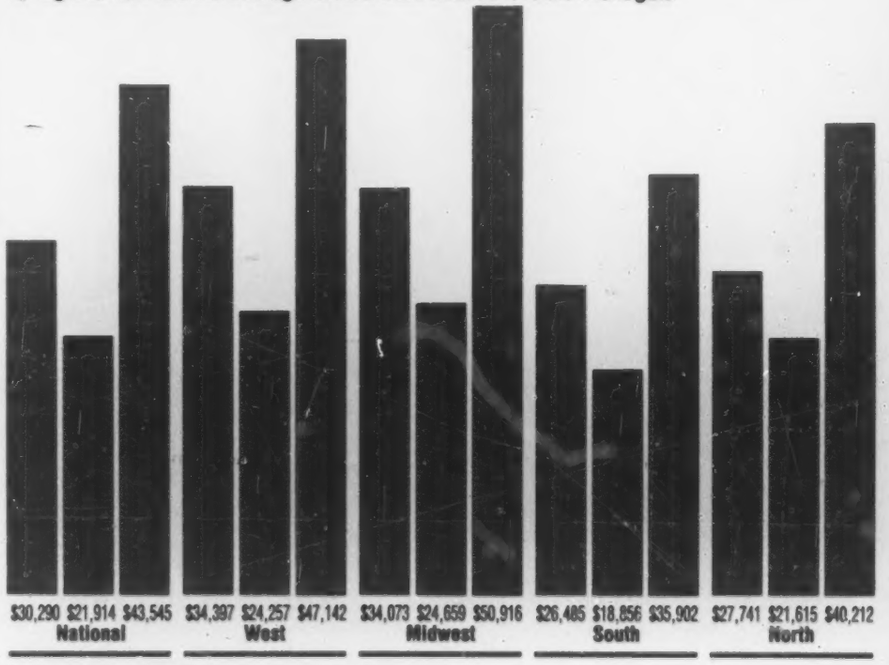
The three primary forms of compensation for store managers are *base salary*, *bonus*, and *perquisites*. Bonuses are playing a much greater role in determining total compensation, with 75% of the responding companies awarding bonuses to their store managers. Indications are that in the future, more of a store manager's total pay will be "at risk," based on performance goals and standards. Total salary increases from year to year will be a direct result of incentive dollars based on the attainment (or non-attainment) of goals and objectives. Perquisites (including items like store discounts and tuition reimbursements) are part of store manager compensation in 26% of the responding companies. Commission compensation, which is different in concept from bonus awards, is not a popular incentive system for store managers.

Nationwide, the average annual salary for these specialty store managers is $30,290. The average minimum is $21,979; the average maximum, $47,773. (If a company did not have a formal salary range and could not provide minimum and maximum, we asked for low and high actual salaries.) In general, the higher salaries are paid by the larger companies.

What criteria does management use to determine base salary and bonus? *Base salary* is calculated primarily on store volume and location, as well as length of employment. Performance criteria for

AVERAGE ANNUAL BASE SALARY

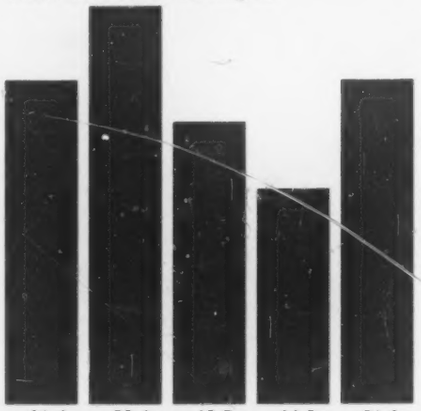
By regions, here are the average annual base salaries for store managers.



Source: Touche Ros

ANNUAL TURNOVER RATE

By regions, here are the average annual turnover rates for store managers.



Source: Touche Ross

base salary adjustments for store managers include, in the order of significance to responding companies: sales volume, shortage/shrinkage, controllable expenses, payroll, and merchandising.

The average annual *bonus* for store managers is $3,786. Average minimum bonus is $1,999; the average maximum is $9,978. When figuring bonuses, management considers primarily net sales, profit margin, and shrinkage in determining the aggregate bonus pool available for all managers. Sales, management decisions, and percentage over plan are the criteria influencing each manager's bonus. Although most survey respondents use a quantitative formula to determine bonus awards, a significant number state they are not pleased with the "calculation process" of awarding bonuses.

Major *perquisites* among most retailers are store discounts and tuition reimbursements. Besides the standard surgical/medical benefits and pension plans that most store managers receive, some (25%) are eligible for company stock, or receive rewards for security (24%) and recruitment (19%).

In terms of *turnover*, the average annual turnover rate of the responding companies is 21.4%. The average length of time in the manager position is 4.9 years. (Turnover in the survey means total separation from the company, not a lateral move or promotion.)

Assistant Managers

When looking at compensation for assistant store managers, we find salary the primary means of compensation. Average annual salary for assistant managers is $20,909. The average minimum is $16,502; the average maximum is $26,169. As many as 31% of the responding companies pay their assistant managers on an *hourly* rather than an annual basis.

Though the *bonus* is a common element in compensation for managers (75%), only 25% of assistant managers receive bonuses. The average bonus for them is $1,214. Discounts and tuition reimbursement are the two most common perquisites assistant managers receive.

The annual *turnover* rate is considerably higher among assistant managers (29.8%) than it is for managers (21.4%). The average length of time in the assistant manager position is three years. Again, our definition of turnover is people who leave the company and does not include those who move up to manager.

Regional Differences

Interesting differences arise from region to region. Store managers in the West and Midwest are receiving the "best dollars," with their counterparts in the South receiving significantly lower average salaries at both the minimum and maximum levels.

When we compare salary to turnover rate, we see an interesting contrast. While the South is the region where salary is lowest, it also has the lowest turnover rate. When both factors are considered, the Midwest seems in the best position, with the highest salaries and turnover at the low end of the scale.

How are we to interpret these salary/turnover relationships? For instance, how do we explain the situation in the South, where turnover is lowest despite the lowest salaries? The answer may be in the unemployment figures, as published by U.S. Bureau of Labor Statistics, year-end 1987. There we see the severity of labor shortage highest in the Northeast, suggesting that managers there have more opportunity to seek work elsewhere and less competition for those jobs. In the Midwest and South, on the other hand, labor is not as serious a problem, which translates into more available workers and less opportunity for job-hopping.

MANAGER LONGEVITY

By regions, here is the average number of years a store manager stays on the job.

Source: Touche Ross

Another explanation for the discrepancies may lie in the differences in salary incentives offered assistant managers for staying with the company. For example, assume an assistant manager in the North is at maximum, $25,526. If he is promoted to manager, he will not be asked to start at the store manager minimum. Practice has been to start that person at close to the *average annual salary* for the region. In the North, that figure is $27,741, only about $2,200 above the assistant manager's current salary. So he may not perceive that figure to be sufficient incentive to take on the added responsibility.

In the South, on the other hand, the assistant manager at the maximum ($22,920) can receive a greater increase if he is promoted to manager at a salary close to the annual average for his region, $26,485. The assistant manager in the Midwest enjoys a similar incentive. The wider spread between assistant manager average maximum and manager annual average may account for the greater longevity in the South and Midwest.

Compensation Strategies

Increased competition, economic market trends, and severe shortages in the labor market aggravate the need for retailers to configure their compensation programs to attract and retain good store personnel.

One point to address is the disappearance of "entrepreneurial spirit" among store managers and assistants. Reasons for the lack of this important quality may be policies that deprive these employees of the opportunity to make decisions that would boost their feeling of importance and their entrepreneurship. Another reason might be salary administration practices that simply do not encourage more than routine performance.

Retailers must work on solutions that increase store managers' contribution to store productivity and, at the same time, improve the administration of their compensation program. Managers and assistants must be made to see how their paychecks reflect their performance.

An important element in any compensation program is a balance between external market rates and internal equity. The market rates gathered in our survey and summarized here can be a place to begin to evaluate your compensation program as it compares to those of others in your area. Then comes the difficult part – creating internal equity. ■